

1 HB249  
2 80614-5  
3 By Representative Galliher  
4 RFD: Banking and Insurance  
5 First Read: 10-JAN-06

ACT No. 2006-552



1  
2 ENROLLED, An Act,

3 To amend Section 41-1-20, Code of Alabama 1975, to  
4 lower the electronic funds transfer threshold for use in  
5 making payments of taxes, fees, and other obligations  
6 collected from certain business entities by the Department of  
7 Revenue, to include local government taxes and fees collected  
8 or administered by the department.

9 BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

10 Section 1. Section 41-1-20, Code of Alabama 1975, is  
11 amended to read as follows:

12 "§41-1-20.

13 "(a) Any state agency may establish a requirement,  
14 within its area of administrative responsibility, that every  
15 person, corporation or partnership, owing, in connection with  
16 an individual transaction consisting of any State of Alabama  
17 tax return, fee, report or other document, or any other  
18 obligation of indebtedness to the state, an amount of money,  
19 as specified in subsection (b) shall pay such tax liability,  
20 fee, or obligation to the state no later than the date such  
21 payment or remittance of funds is required by law, in funds  
22 which are immediately available to the state on the first  
23 banking day following the due date of payment.

24 "(b) The determination as to which persons,  
25 corporations or partnerships shall be subject to the

1 remittance provisions of this article is based on individual  
2 payments made during a calendar year, rather than the  
3 aggregate of payments made during a calendar year. Persons,  
4 corporations or partnerships making an individual payment of  
5 at the thresholds indicated below shall comply with the  
6 provisions of this article and the provisions of subsection  
7 (c):

8 ~~"(1) \$100,000.00 or more, will comply with the~~  
9 ~~provisions of this article for payments made during the~~  
10 ~~calendar year 1992 and all years thereafter, subject to the~~  
11 ~~provisions of subsection (c);~~ Twenty-five thousand dollars  
12 (\$25,000) or more for payments made during the calendar year.

13 ~~"(2) \$50,000.00 or more, will comply with the~~  
14 ~~provisions of this article for payments made during the~~  
15 ~~calendar year 1993; and all years thereafter, subject to the~~  
16 ~~provisions of subsection (c);~~ On taxes, fees, and other  
17 obligations that are collected or administered by the  
18 Department of Revenue:

19 "a. Seven hundred fifty dollars (\$750) or more for  
20 payments by a business entity made during calendar year 2006  
21 during the months of July through December and all years  
22 thereafter and after October 1, 2006, and all filing periods  
23 thereafter shall be paid electronically.

24 "For purposes of this subdivision, electronically  
25 includes payments made over the telephone.

1           "b. All local government business entity taxes and  
2           fees collected or administered by the department when the  
3           corresponding state tax is subject to paragraph a., shall also  
4           be paid electronically.

5           "c. Notwithstanding paragraphs a. and b., the  
6           department, by rule, may designate specific revenue sources,  
7           fees, or monetary obligations which it may except from  
8           paragraphs a. and b.

9           "d. The governing body of any self-administered  
10          county or city may elect to require electronic payments under  
11          the same provisions of this subdivision applicable to the  
12          department.

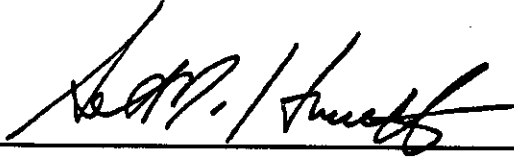
13          ~~"(3) \$25,000.00 or more, will comply with the~~  
14          ~~provisions of this article for payments made during the~~  
15          ~~calendar year 1994, and all years thereafter, subject to the~~  
16          ~~provisions of subsection (c).~~

17          "(c) When the provisions of subsection (a) are  
18          established, payment ~~in immediately available funds~~ and the  
19          reporting of such remittance shall be made in accordance with  
20          procedures established by the administering state agency for  
21          the indebtedness involved; such procedures shall continue to  
22          be the method of reporting and remittance until established  
23          otherwise by the administering state agency.

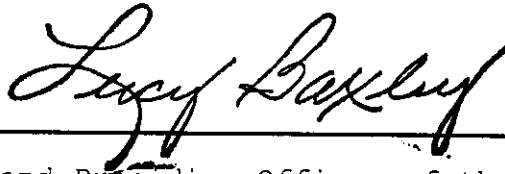
24          "(1) Such procedures shall include the use of the  
25          automated clearing house system.

1           "(2) The state administrating agency shall  
2       coordinate with the State Treasurer to insure the availability  
3       of such funds to the state on the first banking day following  
4       the due date of payment."

5           Section 2. This act shall become effective  
6       immediately following its passage and approval by the  
7       Governor, or its otherwise becoming law.



Speaker of the House of Representatives



President and Presiding Officer of the Senate

House of Representatives

I hereby certify that the within Act originated in  
and was passed by the House 09-FEB-06, as amended.

Greg Pappas  
Clerk

Senate

17-APR-06

Passed

APPROVED April 25, 2006

TIME 1:37 p.m.

  
GOVERNOR

Alabama Secretary Of State

Act Num....: 2006-552  
Bill Num....: H-249